

Exhibit 3

Declaration of

Vicki Taylor

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF WYOMING**

POWELL VALLEY HEALTH CARE, INC.,)	
)	
Plaintiff,)	
)	
v.)	
)	
HEALTHTECH MANAGEMENT SERVICES, INC.,)	Civil Action No. 12-CV-0042-F
)	
Defendant/Crossclaimant,)	
)	
v.)	
)	
PAUL CARDWELL and MICHAEL J. PLAKE,)	
)	
Defendants/Cross Defendants.)	

DECLARATION OF VICKI TAYLOR

I, Vicki Taylor, being first duly sworn on my oath, depose and say:

1. I am the Payables Clerk for Powell Valley Health Care, Inc. (PVHC), a Wyoming nonprofit corporation with its principal place of business in Powell, Wyoming. I began employment with PVHC in January 2004. I have personal knowledge of all the matters discussed in this declaration.

2. In my role as Payables Clerk, I am responsible for issuing payments to vendors and employee reimbursements .

3. Shortly after Paul Cardwell became CEO of PVHC in March 2011, he informed me that he would be using a physician recruiting firm called "Plake and Associates" to provide recruitment services for PVHC. I was unfamiliar with this company and, from the name itself, I did not see any sign that it was incorporated. My understanding was that the IRS requires PVHC to obtain a completed W-9 from unincorporated vendors. Therefore, I told Paul Cardwell that I needed a completed IRS Form W-9 from Plake & Associates before I could release the first check to it.

4. Attached as Exhibit A to this declaration is an email I sent to Paul Cardwell on March 30, 2011, including a link to an IRS website containing a Form W-9 that could be completed for Plake & Associates.

5. Soon after that, I received a completed W-9 from Paul Cardwell for "Michael J. Plake, Plake & Associates LLC." Attached as Exhibit B is this completed W-9. The handwriting on the form appeared to belong to Paul Cardwell, but I did not question him about it because it turned out that the W-9 was not needed anyway, being inapplicable because it indicated that Plake & Associates was an LLC rather than an unincorporated business.

6. Attached as Exhibit C is a check request dated April 4, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$57,200 payable to Plake & Associates, purportedly for "physician recruitment x 2."

7. Based on the April 4, 2011 authorization from Paul Cardwell, on April 7, 2011, the PVHC accounting department issued check number 122761, attached as Exhibit D, made payable to Plake & Associates, LLC in the amount of \$57,200.

8. Attached as Exhibit E to this affidavit is a check request dated May 9, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$72,643 payable to Plake & Associates, purportedly for "physician recruitment."

9. Attached as Exhibit F is an email I sent to Paul Cardwell on May 11, 2011 requesting that Cardwell provide a receipt for payments to Plake & Associates.

10. Attached as Exhibit G is an email I sent to Paul Cardwell on May 18, 2011 again requesting a receipt for payments to Plake & Associates.

11. Based on the May 9, 2011 authorization from Paul Cardwell, on June 11, 2011, the PVHC accounting department issued check number 123510, attached as Exhibit H, made payable to Plake & Associates, LLC in the amount of \$72,643.

12. Attached as Exhibit I is a copy of an email dated June 13, 2011 with handwritten notes dated June 15, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$30,254 payable to Plake & Associates for recruiting services.

13. Based on the June 15, 2011 authorization from Paul Cardwell, on June 18, 2011, the PVHC accounting department issued check number 124349, attached as Exhibit J, made payable to Plake & Associates, LLC in the amount of \$30,254.

14. Attached as Exhibit K is a copy of an email dated June 20, 2011 with handwritten notes dated June 20, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$33,500 payable to Plake & Associates for recruiting services.

15. Based on the June 20, 2011 authorization from Paul Cardwell, on June 23, 2011, the PVHC accounting department issued check number 124522, attached as Exhibit L, made payable to Plake & Associates, LLC in the amount of \$33,500.

16. Attached as Exhibit M is a copy of an email dated June 28, 2011 with handwritten notes dated June 28, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$96,150 payable to Plake & Associates for recruiting services.

17. Based on the June 28, 2011 authorization from Paul Cardwell, on June 30, 2011, the PVHC accounting department issued check number 124588, attached as Exhibit N, made payable to Plake & Associates, LLC in the amount of \$96,150.

18. Attached as Exhibit O is a copy of an email dated July 14, 2011 with handwritten notes dated July 14, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$90,675 payable to Plake & Associates for recruiting services.

19. Based on the July 14, 2011 authorization from Paul Cardwell, on July 14, 2011, the PVHC accounting department issued check number 124946, attached as Exhibit P, made payable to Plake & Associates, LLC in the amount of \$90,675.

20. Attached as Exhibit Q is a memo dated July 20, 2011 with handwritten notes dated July 20, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$57,500 payable to Plake & Associates for recruiting services.

21. Based on the July 20, 2011 authorization from Paul Cardwell, on July 20, 2011, the PVHC accounting department issued check number 124991, attached as Exhibit R, made payable to Plake & Associates, LLC in the amount of \$57,500.

22. Attached as Exhibit S is a copy of a July 26, 2011 email with handwritten notes, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$72,825 payable to Plake & Associates for recruiting services.

23. Based on the July 26, 2011 authorization from Paul Cardwell, on July 28, 2011, the PVHC accounting department issued check number 125186, attached as Exhibit T, made payable to Plake & Associates, LLC in the amount of \$72,825.

24. Attached as Exhibit U is a copy of an email dated August 15, 2011 with handwritten notes dated August 17, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$83,185 payable to Plake & Associates for recruiting services.

25. Based on the August 17, 2011 authorization from Paul Cardwell, on August 17, 2011, the PVHC accounting department issued check number 125547, attached as Exhibit V, made payable to Plake & Associates, LLC in the amount of \$83,185.

26. Attached as Exhibit W are email communications I exchanged with Paul Cardwell on August 29 and 30, 2011 regarding purported physician recruiting and payments to Plake & Associates.

27. Attached as Exhibit X is an email I received from Paul Cardwell on September 6, 2011 regarding purported physician recruiting and providing “confirmation for release of payment to Plake & Associates.”

28. Attached as Exhibit Y are an email I received from Paul Cardwell on September 7, 2011 providing “confirmation for release of payment to Plake & Associates,” and a responsive email sent from me to Paul Cardwell on September 7, 2011 reporting that I had arranged for that payment to be made per his request.

29. Attached as Exhibit Z is a copy of an email I received from Paul Cardwell on August 29, 2011—with the initials (dated September 7, 2011) of PVHC’s then-CFO, Calvin Carey, as well as handwritten notes—provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$79,425 payable to Plake & Associates for recruiting services.

30. Based on the September 7, 2011 authorization from Paul Cardwell, on September 8, 2011, the PVHC accounting department issued check number 126245, attached as Exhibit AA, made payable to Plake & Associates, LLC in the amount of \$79,425.

31. Attached as Exhibit BB is a copy of an email dated September 12, 2011 with handwritten notes, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$83,889 payable to Plake & Associates for recruiting services.

32. Based on the September 12, 2011 authorization from Paul Cardwell, on September 13, 2011, the PVHC accounting department issued check number 126293, attached as Exhibit CC, made payable to Plake & Associates, LLC in the amount of \$83,889.

33. Attached as Exhibit DD is a copy of an email dated September 19, 2011 with handwritten notes dated September 19, 2011, provided to the PVHC accounting department by Paul Cardwell, requesting a check in the amount of \$90,638 payable to Plake & Associates for recruiting services.

34. Based on the September 19, 2011 authorization from Paul Cardwell, on September 20, 2011, the PVHC accounting department issued check number 126434, attached as Exhibit EE, made payable to Plake & Associates, LLC in the amount of \$90,638.

35. On several occasions, I asked Paul Cardwell to provide recruiting contracts and invoices from Plake & Associates. Cardwell stated that Michael Plake had prepared contracts and invoices for all of the recruiting services and would be “resending” those documents soon. Also, Paul Cardwell told me on several occasions that he had worked with the recruiters at Plake & Associates for many years and that Plake & Associates had always done an excellent job of sending him candidates.

36. Attached as Exhibit FF are the recruitment agreements and invoices PVHC ultimately received from Michael Plake on September 25, 2011.

37. In all, PVHC made payments to Plake & Associates, LLC totaling \$847,884.

38. In causing these payments to be made to Plake & Associates, LLC, I relied upon the direction and authorization of Paul Cardwell as the CEO of PVHC. Because Paul Cardwell was the CEO, I believed he had briefed the PVHC Board and obtained the necessary authorization to enter into physician recruiting arrangements with Plake & Associates and to make these payments to Plake & Associates. In fact, several of the payment authorizations Paul Cardwell provided to me specifically stated that he had obtained Board approval. I believed that these were legitimate payments for actual services.

39. During the time Paul Cardwell served as CEO of PVHC, PVHC also reimbursed HealthTech Management Services, Inc. for Cardwell’s salary and benefits by paying to HealthTech an amount equal to Cardwell’s agreed-upon salary plus an additional 30% of his salary to cover benefits and the administration thereof.

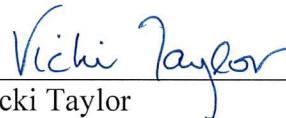
40. In all, PVHC made payments to HealthTech totaling \$143,944.83 for Paul Cardwell’s salary and benefits.

41. It is the practice of the PVHC accounting department to require written documentation to support all payment requests, and we regularly maintain those payment requests, along with copies of the checks that have been issued, in PVHC's files in the ordinary course of business. The accounting department also regularly maintains other documents relating to vendor relationships, including W-9 forms, service agreements and invoices. I am the custodian of PVHC's accounts payable records.

42. Paul Cardwell's check requests, notes and emails referenced in this declaration were offered by him and accepted by me as authorization for payments, and PVHC kept those requests, notes and emails in PVHC's files in the ordinary course of PVHC's business, per PVHC's regular recordkeeping practices, and we caused checks to be issued from PVHC's funds in reliance on those documents. Exhibits A through FF are documents that are included in PVHC's business records.

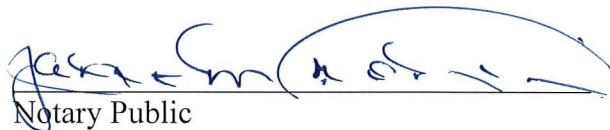
I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 16 day of April 2013.


Vicki Taylor

STATE OF WYOMING)
)
) SS.
COUNTY OF PARK)

Subscribed and sworn to before me this 16th day of April, 2013, by Vicki Taylor.
WITNESS my hand and official seal.


Notary Public



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